SCOTT M. MATHESON
Governor

GORDON E. HARMSTON Executive Director, NATURAL RESOURCES

CLEON B. FEIGHT

Director



STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS, AND MINING 1588 West North Temple Salt Lake City, Utah 84116 (801) 533-5771

May 24, 1978

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Mr. Mel Swanson Kelmine Corporation P.O. Box 272 Naturita, CO. 81422

> Re: Oljeto Mine - ML-33315 San Juan County, Utah ACT/037/029

Dear Mr. Swanson:

The Division of State Lands has informed this office that the bond has not yet been posted for the Oljeto Mine. Final approval for the project cannot be issed until bond is received, and mining cannot legally commence.

The Division of Oil, Gas, and Mining would appreciate a letter concerning the present status of the mine and the proposed data for commencement of operations.

Thank you for your cooperation.

Sincerely,

K. MICHAEL THOMPSON RECLAMATION HYDROLOGIST

/tlb